



CWC Kansas City proposes the following amendments to our charter submission in order to ensure effective checks and balances in our partnership with CWC Schools.

Specifically, we propose the following:

1. Amending the CWC Kansas City Articles of Incorporation to Comply with MO Law:

Related to assets upon dissolution, the articles of incorporation will be updated to use the language below:

- Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation, including but not limited to any distributions of unobligated assets to the Missouri Department of Elementary and Secondary Education as may be required pursuant to section 160.405.1(17) of the Missouri Revised Statutes, shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for educational and charitable purposes benefiting residents of the State of Missouri and is recognized as tax-exempt under section 501(c)(3) of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended (the “Code”).

2. Ensuring the Licensing Agreement Provides Sufficient Opportunity for Review of the Contract Terms: We believe the following three provisions will meet the needs of CWC Kansas City and CWCS to ensure flexibility in our relationship and the opportunity to evaluate and adjust services and fees if needed.

6.1 – Inclusion of opportunity to provide Non-Renewal Notice as follows:

- Term. This Agreement shall be effective as of the Effective Date and shall remain effective for an initial term equal to the duration of the term of Licensee’s first approved School charter. This Agreement shall be automatically renewed for additional terms upon and concurrent with the last to expire of any new, renewed or extended School charter held by Licensee. **However, upon the affirmative vote of at least 67% of Licensee’s directors then in office, Licensee may provide notice to Licensor at least 60 days in advance of such automatic renewal date that Licensee intends to not renew this Agreement (a “Nonrenewal Notice”), such Nonrenewal Notice to include a detailed description of the reasons for the stated intention not to renew. Upon receipt of a Nonrenewal Notice by Licensor, Licensee and Licensor shall enter into good faith negotiations of at least 30 days’ duration and intended to resolve the issues raised in the Nonrenewal Notice. If, at the end of the good faith negotiations, Licensee, by the affirmative vote of at least 67% of its directors then in office, resolves to pursue termination of this Agreement, Licensee must affirm its notice not to renew by delivery of a written notice to Licensor at least 10 days in advance of the applicable renewal date (a “Nonrenewal Affirmation Notice”); provided, however, for the avoidance of doubt, that this Agreement shall automatically renew in accordance with this Section 6.1 absent a properly adopted and timely delivered Nonrenewal Affirmation Notice from Licensee;**

provided, further, that any Nonrenewal Affirmation Notice timely provided by Licensee shall be valid notwithstanding the expiration of the 30 day negotiation period. Notwithstanding the foregoing, the term of this Agreement remains subject to the termination provisions set forth herein.

6.3 – Additional clarity with regards to “material breach”:

- Licensee may terminate this Agreement at any time in the event of a material breach by Licensor of this Agreement, **including but not limited to a material failure by Licensor to provide the CWC Network Services required by this Agreement**, with respect to which Licensee believes Licensor has not taken adequate steps to cure following 90 days written notice from Licensee.

9.3 – Inclusion of language that supports good faith discussions at the end of the term with regards to services and fees:

- At each renewal of the term of this Agreement pursuant to Section 6.1, the parties shall enter into good faith discussions as to desired modifications to the CWC Network Services and the fees described in Section 6.4.

3. Using the attached Term Sheet to further clarify CWCS support services and evaluation by CWC Kansas City: Through discussions facilitated by the CWC Kansas City Board, and a working group with CWCS staff, the Board can provide greater specificity related to the services the network will provide to the region, and how those services will be evaluated by regional leadership, and ultimately the board. These services are described in the attached matrix, and we would be happy to include this matrix in some form in the re-submitted application. Please note, that in the true nature of the partnership between the Board and CWCS to launch and maintain high-performing schools in Kansas City, **these discussions will be ongoing** as the Board works to ensure the fees paid to CWCS are reflective of the services and support provided.